

Chapter 5

SQUADRON ORGANIZATION

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A Chart of the Typical Squadron Organization appears at the end of this chapter.

5.1 Role of the commander. The principal officer of each squadron of USPS is the commander (Cdr) who is elected by the active members of the squadron.

The commander presides at all meetings of the squadron, including executive committee meet-

ings, and must be fully acquainted with all the activities and operations of the squadron. While the commander is assisted by a staff of officers, committees and educational boards, he is responsible for the success of squadron administration. He is *ex officio* a member of all squadron departments and committees except as provided in the squadron's

bylaws.

Most commanders have a number of years of squadron experience and are acquainted with many squadron procedures. Careful attention to seemingly minor details of squadron operations is essential to a healthy and progressive squadron.

Commanders are urged to study the sections which follow and to apply these principles and procedures to their own squadron whenever possible.

The welfare of a squadron is affected by the personality of its commander, who represents the squadron both nationally and in the district. Great care should be exercised in the choice of this officer. A commander should not be chosen solely on the basis of a pleasing personality. The commander must have the time and motivation to carry out the important duties of the office. Nothing can cripple a squadron so effectively as a commander who does not attend meetings and does not have sufficient time for the many duties. In order to be sure of the qualifications of a person to serve as commander, it is desirable to choose from among those who have served as officers of the squadron and whose effectiveness in administration posts has been proven. In most squadrons, it is a general practice to elect as commander the executive officer of the previous administration. While serving as executive officer, he has had an opportunity to learn and observe the duties and responsibilities of a commander. It is a responsibility of the commander to consult and discuss matters with the executive officer in preparation for becoming a commander. Likewise, the Administrative Officer should be in training to be Executive Officer and thus Commander in time.

5.2 Governing Board, District Council and Conference. Each commander is a member of the Governing Board [Refer to 2.1 on page 2-1]. Each commander is also a member of the district council [Refer to 4.64 on page 4-19] and the district conference [Refer to 4.65 on page 4-19].

5.3 Call to national meetings. Before each Governing Board and USPS annual meeting, the commander receives a notice of the meeting, agenda and instructions. In the case of matters that

are of particular concern to the squadron, the commander should take appropriate steps to determine the desires of the squadron.

5.4 Commander's kit. To aid newly-elected commanders in their duties and to facilitate the transaction of business, each commander receives from headquarters a "**Commander's Kit**", which includes the USPS bylaws, the *Operations Manual*, Squadron and District Officer Guides and Calendars, a Directory of National, District and Squadron Officers and other materials, such as sample forms necessary to the discharge of his duties. The kit is accompanied by a letter from the national secretary containing information concerning the various services available from headquarters which can simplify and assist him in many ways. Each commander should see that all elected officers have either a paper or electronic copy of the *Operations Manual*.

5.5 Delegation. The first job of a newly elected commander, or even as a nominee prior to election to the office, is the selection of a capable staff of chairs and assistants for all committees. These members, who will serve as lieutenants, should be very carefully chosen for their interest and abilities. The most successful commanders are those who have surrounded themselves with an excellent staff which conducts squadron activities as a team effort. A squadron cannot be a "one-man" or "one-woman" show either, and a commander who fails to delegate responsibility to his committee chairs invites dissension, disloyalty and the breakdown of the organization.

5.6 Appointments. Squadron bylaws normally provide that the commander may appoint additional lieutenants to assist in carrying out the work of the squadron. These may be chaplain, flag lieutenant, fleet captain and aides as deemed necessary. They perform such duties as assigned them and serve at the pleasure of the commander.

The **chaplain**, in addition to performing invocations and benedictions at meetings of the squadron, is available for advice and counsel to all squadron officers who may require suggestions as to ceremonies, prayers and other activities in their respective spheres. Chaplains should also advise

conference planning committees on scheduling conflicts with religious holidays.

The **flag lieutenant** may travel with or for the commander and may assist in handling such details as will expedite the duties of the commander.

The **fleet captain** keeps boat-owning members apprised of information relating to boating and local waterways, such as reiterating in the squadron newsletter particularly noteworthy items from *Notice to Mariners*. In squadrons with waterfront facilities he may serve as dockmaster and he may be tasked with coordinating fleet activities outside the purview of the boating activities committee.

Aides assume a multitude of special *ad hoc* assignments as directed by the commander, such as arranging meetings, entertaining distinguished guests and visitors, conducting surveys and collecting information.

5.7 Special meeting. The new commander should call a special meeting of all newly elected and appointed officers to outline a general plan of operations for the year ahead and to apprise each officer of his duties.

5.8 Duties. In a very real sense, the commander must be “the first to arrive and the last to leave.” The effort and energy which the average commander devotes to the squadron are very difficult to measure.

District conferences and council meetings are held for the benefit of the squadron; attendance by bridge officers and committee chairs should be encouraged by the squadron commander.

The commander should visit all squadron classes. The commander must give careful attention to arrangements for places to hold business meetings and classes of the squadron. He should hold regular monthly meetings of the executive committee and examine the progress made by each chair. He must keep abreast of the correspondence which comes to him. He must be prepared to report to the membership, as well as at district council meetings, and make an annual report to the district executive officer. The commander should make

every effort possible to attend the district council meetings and conferences and the annual and Governing Board meetings of USPS.

The commander should see that squadron members wear their uniform insignia in accordance with USPS policy and, when on their boats, fly USPS ensign properly. He should call attention to improper actions by members and should check on non-members who have not earned the right to fly the USPS ensign.

It is the responsibility of the commander to ensure that the squadron does not become officially and improperly involved in legislative matters, whether local, state or national. To determine under what circumstances squadron intervention is permissible refer to 4.23 on page 4-6.

The commander should follow the progress of the squadron apprentices, if the squadron bylaws provide for them. Too frequently, apprentices who are interested in attending squadron classes reach membership age but do not become members. A member of the commander’s staff should be responsible for periodic reviews of the apprentices’ social and educational activities in the squadron.

5.9 Merit marks. Before 15 November of each year the commander must file with the area monitor, for review and submission to the chief commander, recommendations for merit mark awards for work performed by members for the squadron during the calendar year.

All commanders are urged to study Chapter 16 thoroughly and well in advance of the submission deadline. In fact, early in the administration, steps should be taken to organize the systematic collection of data on each member’s performance as it occurs, instead of waiting until the year-end and relying on memory.

Each area monitor will give an advisory opinion as to the sufficiency of a member’s contribution to USPS.

5.10 Merit Mark Awards. A member having received five merit marks will be awarded the status of “**senior member**” and the right to wear

senior members' insignia.

Upon the award of the 25th merit mark the member becomes a **“life member”**, is exempt from payment of national dues and is entitled to wear the distinctive uniform insigne and membership pin.

Upon the award of the fiftieth merit mark, the member becomes a Governing Board emeritus member and is entitled to wear the distinctive insigne and membership pin.

5.11 Annual schedule. Following is a basic **timetable** for a commander with various forms available from headquarters:

A) Attend meetings of the Governing Board. If the commander can not attend, he advises the district commander and makes appropriate vote authorization;

B) Attend the district conferences and council meetings. Certify the names of delegates to the district conference;

C) Submit suggestions for the agenda in ample time for the district conference;

D) Send merit mark recommendations to the area monitor in triplicate before 15 November. The previous commander should be consulted in order to consider work done for the squadron early in the calendar year;

E) Send to USPS headquarters:

1) Information report (form OD-2) listing information and appointments not otherwise reported;

2) Complaints requiring disciplinary action;

3) Report on elections of officers no later than 01 February each year, for listing in *Directory of National, District and Squadron Officers* (form OD-2). Please note that this should be done even if the COW falls after that date. This information is needed for the early versions of the officers address book;

4) Certify the names of delegates to each annual or special meeting of USPS. A copy of such certification is furnished to each delegate and is exchanged at the appropriate meeting for voting credentials.

Complete instructions are provided with the forms by the national secretary.

F) Check on improper uniforms, insignia or improper flying of USPS ensign;

G) The Squadron committee on rules should review the bylaws on an annual schedule and contact USPS ComRules when bylaw revisions are being considered;

H) Arrange for annual re-examination of local squadron honorary member list. Term of honorary membership is restricted by USPS Bylaws to one year. If an honorary membership is to continue, annual re-election is required;

I) Appoint a “personal contact committee” to contact those who are delinquent paying their dues to ensure they are not lost as a result of their own carelessness. Please note that if a dues payment is not made by the end of the member’s anniversary dues date, it means loss of membership. When members do not pay their dues, they are no longer considered members of USPS and are classified as ‘non-renewing.’ Paying dues as a non-renewing member does not incur any penalty as there are no reinstatement fees or penalties charged. If non-renewing members pay dues after a one year period, their anniversary date is reset to the date they pay current dues;

J) Direct that an annual and complete inventory of all squadron materials and equipment be made;

K) It is the obligation of the retiring commander to pass on to the successor:

a) All files concerning squadron business transacted during his term of office, including national and district correspondence and directives from all departments;

b) National and district manuals and merit mark recommendations;

c) Unused forms;

d) Business correspondence with the members of squadron, district or national. These files belong to the squadron. They can be invaluable in assisting the new commander in the discharge of his duties and to maintain continuity in the squadron’s work.

In consultation with the SEO, appointments are made for chairs of the local board for boating, local board for advanced grades, local board for elective

courses, teaching aids committee and supplemental programs committee. The names of these appointees are listed on form ED-1, *Squadron Appointees*, along with other data and forwarded to the district educational officer immediately following the change of watch, but no later than 1 April. Whenever a change is made at any other time during the year a new form, available from headquarters, should also be filed.

5.12 Verification. The commander should verify that the treasurer has accomplished his assigned actions in a timely manner [Refer to 5.8 on page 5-3].

5.13 Delegates. At the national annual and special meetings each squadron is entitled to one delegate for every 100 active members or fraction thereof as of 75 days preceding the meeting. Notice of such delegate appointments is handled in accordance with USPS bylaws and by further instructions from the national secretary. The commander is also entitled to vote at annual or special meetings of USPS.

5.14 Officers. The commander is assisted by an executive officer, an educational officer, an administrative office, a secretary and a treasurer, each of whom serves with the rank of lieutenant commander (Lt/C). Together this group is the **squadron bridge**. An assistant educational officer, assistant administrative officer, assistant secretary and assistant treasurer, if authorized, serve with the rank of first lieutenant (1/Lt or 1st/Lt); officers appointed by the commander serve with the rank of lieutenant (Lt).

5.15 Executive officer (XO). The duties of the executive officer parallel those of the national and district executive officers. They may be assigned various other duties as well.

Some of the duties are listed in the national, district and squadron organizational charts relating specifically to those committees handling the external affairs of the squadron. As outlined in Chapter 7, the executive officer should be assigned the supervision of those committees similarly

assigned to the national and district executive officers.

In most squadrons, the officers usually advance from executive officer to commander. While such practice would be workable written rigidly into the bylaws, it is generally considered to be in order unless the executive officer has failed to meet the qualifications required for commander. The executive officer should be one who is considered a good candidate for being commander. He (or she) should be of a temperament which will make him a willing and conscientious right-hand deputy to the commander. He should have initiative and executive ability. As supervisor of those committees coming within his jurisdiction, he shall also act as liaison, through the commander, with the district executive officer.

5.16 Educational officer. Each squadron is to have a squadron educational officer (SEO), who supervises the educational program of the squadron as directed in Chapter 6.

5.17 Assistant SEO. If authorized by the squadron bylaws, there may also be an assistant squadron educational officer (ASEO) to assist the SEO as directed in Chapter 6.

5.18 Administrative officer. The duties of the administrative officer (AO) parallel those of the national and district officers. In general, his administration department handles internal affairs of the squadron.

Because the administrative officer may progress to executive officer and to commander, great care should be taken by the nominating committee in the qualifications and selection of a nominee for this office.

He is next in line in command in the event of absence or incapacity of the commander and the executive officer. As in the case of the executive officer, it is desirable to assign definite duties and responsibilities to the administrative officer to provide the background and experience that will make a good executive officer and commander.

5.19 Secretary. The duties of the secretary

(Secy) are referred to in USPS Bylaws and are outlined in detail in squadron bylaws. Additional duties of the secretary have developed as a result of need.

The squadron secretary is responsible for the following, as established by national headquarters:

A) Completes squadron officers report (form OD-2) provided by headquarters for the names and addresses of newly elected squadron officers for the *Directory of National, District and Squadron Officers*;

B) Forwards changes of addresses, resignations and deaths (form HQ-102) to headquarters;

C) Sends transfers, as approved (form HQ-110);

D) Submits reinstatements, with check for current year's USPS dues and assessments, if any, as required;

E) Requests replacement of lost certificates, with check for the correct amount, with a letter of transmittal;

F) Orders membership pins and other miscellaneous items as required;

G) Information and advice on matters not covered in the *Operations Manual*;

H) Turns over to his successor all minutes, files, directories and *Operations Manual*.

5.20 Squadron member information. The secretary should keep an up-to-date record for the squadron of each member (name, address, class of membership, grade, merit marks, senior membership, vessel, et cetera). The secretary must also report to USPS headquarters any changes of address. For USPS, district and squadron policy regarding the use of a squadron roster by non-members refer to 3.57 on page 3-27.

A squadron directory lists squadron members and should be published once a year. A directory committee is appropriate and should act under the jurisdiction of the secretary.

5.21 DB2000 program. By participating in the on-line biographical data management program (DB2000) at headquarters and coordinating with the district computer systems committee, squadrons can facilitate management of much of the foregoing information.

5.22 Meetings. The secretary must keep minutes of all squadron and executive committee meetings. He should have with him, available for reference, copies of the *Operations Manual*, squadron bylaws, district bylaws, membership directory and minutes of previous meetings. All of these items should be kept corrected and up to date.

5.23 Cooperation with treasurer. In a squadron of limited membership, it may be possible to combine the office of secretary with that of treasurer. Customarily these offices are separate, but close cooperation is required between them in order that their respective records will be in agreement at all times, particularly with reference to members in good standing, transfers, resignations, et cetera. The secretary should send the treasurer copies of all correspondence relating to these matters and should encourage the treasurer to reciprocate by transmitting promptly information pertaining to dues, payments, et cetera, which is required to maintain correct squadron records.

5.24 Transfers. See Chapter 17 for procedures for transfers of members.

5.25 Reinstatement of members. Reinstatement is the restoration of USPS membership to a former member whose membership was officially terminated through resignation or failure to pay USPS annual dues within the period prescribed in USPS Bylaws.

Reinstatement within two years of termination requires the payment of the current year's dues and local squadron indebtedness, if any. Reinstatement after more than two years is the same as under two years unless changed by provisions of the bylaws of the squadron.

A former member may apply for reinstatement in the squadron of which he was a member or transfer his membership to another squadron.

A written request for reinstatement in the same squadron, on the appropriate form, must be forwarded to headquarters by the squadron. Headquarters will bill the squadron for the current amount of USPS annual dues [Refer to 5.53 on page 5-12].

Squadrons should make every effort to keep members active. Although members may tender resignations early at dues payment time, they may change their minds and pay dues after resignations have been processed at headquarters.

A former member who desires reinstatement in a different squadron must apply in writing to the secretary of the squadron into which admission is desired (or the national secretary in the case of unattached members). Upon acceptance, the secretary of the admitting squadron will forward the request to USPS headquarters. Headquarters will bill the member for the current amount of annual dues [Refer to 5.53 on page 5-12]. The national secretary will record the reinstatement, indicating the effective date, and notify the former squadron, as the case may be. The reinstatement will become effective immediately upon processing at headquarters.

Appropriate forms will be provided on which to transact these changes of status [See Chapter 17].

5.26 Notifications to headquarters. The name, address and zip code of each new member should be sent promptly to the national and district secretaries by chair of the squadron's membership committee. Use form MemCom-1.

It is very important to keep the national secretary informed, on form HQ-102, of changes of address, resignations, deaths, et cetera. Resignations and deaths should be reported as soon as possible so that mailing of *The Ensign* can be canceled. Headquarters is notified by the postmaster of address changes and in turn sends monthly notices to the squadron secretaries. To avoid duplication, do not report changes already made by headquarters. Be sure to advise headquarters what office or offices a member holds on any change of address.

The squadron treasurer should be advised of all changes of address so that he may correct his records.

The commander should advise the national secretary (form OD-2) regarding the election of officers immediately after each election. If new

officers do not take office immediately, that should be noted, giving the expected date of induction of the new officers indicated.

5.27 National records. At least once a month, the secretary should compare squadron records with national records using DB2000. By 28 February of each year, headquarters will provide each squadron treasurer an informational package requesting squadron dues amounts for the following fiscal year.

5.28 Squadron records. An accurate filing system should be kept so that succeeding secretaries can find information in the records. Certain documents, such as the squadron charter, fire and theft insurance policies covering squadron property, et cetera, should be kept in a safe place, preferably a safe-deposit box, as the loss of such documents is serious. The secretary should keep a record of the whereabouts of these documents, and the commander should be informed.

The secretary should preserve, in convenient and accessible form, important motions that might otherwise become buried in the minutes of past meetings. Operational matters and decisions, such as those pertaining to the squadron publication, memorial expenditures, building funds, rules for awards and trophies and other such items are appropriate to preserve in a set of "standing rules."

5.29 Reports. The secretary reports at each meeting of the executive committee and at each meeting of the squadron, briefly outlining resignations, transfers, and deaths of members, as well as any correspondence affecting the interests of the squadron. The secretary's annual report must be in writing and should include statistical summaries of membership changes during the year as well as a breakdown according to grades, indicating the percentage of advanced grades held as compared with total membership. The report should also present an itemized accounting of the expense of operating the secretary's office, such as stationery supplies, printing, postage, clerical assistance, et cetera. Recommendations and suggestions for improvement in methods of handling squadron business should also be included.

5.30 Correspondence. The secretary will handle much of the squadron official correspondence [See Chapter 14], such as notifying members of committee appointments, messages of condolence, get well wishes to incapacitated members, and letters of commendation to retiring officers or committee members. As directed by the commander he may write to officers of other squadrons and to persons not connected with USPS, inviting them to certain squadron functions. The commander should always be copied.

In many instances, a letter of appreciation, written and signed by the officer most directly in contact with the person concerned, will express more warmth and good will than a letter prepared by someone else.

5.31 Records Retention.

Important material to be kept for squadron reference includes:

- Auditing and Financial Reports
- Budget Process, Budget Spreadsheet, Budget Analysis and Previous Budgets
- Operations Manual
- Bylaws: National, District and Squadron
- District Operations Guide

District and Squadron officers are sometimes puzzled about how long to keep records. The

answer can be rather complex. No single listing can be entirely satisfactory; however, the schedules on the following pages may be helpful.

The retention period begins at the end of the fiscal year during which the document was created, not from the date on the face of the document. For items supporting tax returns, the retention period would begin on the filing date of the return or its due date (with extensions), whichever is later.

The Sarbanes-Oxley Act addresses the destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored. Nonprofit organizations should have a written, mandatory document retention and periodic destruction policy. Policies such as this will eliminate accidental or innocent destruction. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

The following table provides the minimum requirements. This information is provided as guidance in determining your organization's document retention policy. It is duplicated with permission of the National Council of Nonprofit Associations.

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages and bills of sale	Permanently
Depreciation Schedules	Permanently
Duplicate deposit slips	2 years
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Year end financial statements	Permanently
Insurance policies (expired)	3 years
Insurance records, current accident reports, claims, policies, et cetera	Permanently
Internal audit reports	3 years
Inventories of products, materials and supplies	7 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws and charter	Permanently
Patents and related papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax return and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

5.32 Credentials for delegates. Delegates or alternates selected to represent the squadron at USPS annual or special meetings are certified in accordance with USPS Bylaws.

5.33 Actions and time tables for squadron secretary. (All forms mentioned are available from USPS headquarters.)

A) Send to USPS headquarters:

- 1) Certification of delegates to USPS annual (or special) meetings on forms supplied in advance by the national secretary and in accordance with instructions provided;
- 2) Proxies for delegates to USPS annual (or special) meetings on forms supplied in advance by the national secretary and in accordance with instructions provided;
- 3) Changes of address, resignations, deaths, on form HQ-102;
- 4) Transfers, as approved, on form HQ-110;
- 5) Reinstatement, with check for current year's USPS dues [Refer to 5.53 on page 5-12] and assessments if any are required [Refer to 5.53 on page 5-12]. Use form HQ-103.
- 6) Request for replacement of lost certificates, with check [Refer to 5.53 on page 5-12] and a letter of transmittal;
- 7) Orders for stationery with USPS ensign imprinted, record sheets and binders, lapel pins, and other miscellaneous items as required;
- 8) Correspondence to the national secretary, care of headquarters, for information and advice on any matters not covered in the *Operations Manual*.

B) In the event of the death of a member or someone in a member's immediate family, perform such acts as have been determined to be appropriate by the commander or executive committee (Flowers, letter of sympathy or donation to USPS Educational Fund).

5.34 Printing. The squadron may require a good deal of printing such as letterheads, envelopes, application blanks, bylaws, tickets and menus for meetings and rendezvous, programs and possible yearbooks and squadron newsletters.

Unless someone is especially designated to arrange for this work, ordinarily it will be the secretary's duty. The squadron can save money by using good judgment in selecting a printer, deciding whether a given job should be done by printing or some other process, and estimating quantities required. The national secretary may be of help to squadrons requiring this service.

5.35 The duties of the squadron treasurer are referred to in USPS Bylaws and squadron bylaws. The treasurer should study these sources. The payment of bills and recording of amounts are his responsibility. Squadrons must adhere to the practice that only the squadron treasurer is authorized to make remittances to headquarters.

Members' checks should be deposited to the squadron account. Checks for the total amount due should be sent to headquarters by first class mail. They are not to be included in packages, exams, et cetera.

Although some duties may not be specified in USPS Bylaws or squadron bylaws, there may be others that have become customary. The following several subjects are given as a suggested list for the treasurer.

5.36 Bank. Obtain letters (or meeting minutes) from the secretary and the former treasurer written to the bank in which squadron funds are kept. These authorize the new treasurer to deposit and withdraw squadron funds. It is advisable to have a second officer's signature on record with the bank.

5.37 Bond. Fidelity bonding is arranged by USPS under a blanket bond. Bonded individuals include all elected and appointed officers.

Regardless of who collects money at or for a squadron function, the treasurer is responsible for seeing that all monies are properly accounted.

5.38 Insurance. For suggestions regarding insurance problems refer to 3.71 on page 3-31.

5.39 Budget. In order to maintain proper financial planning, each squadron should prepare a budget which covers estimates of all expenses for the

squadron's fiscal year.

Many squadron bylaws provide for a finance committee. This committee is usually charged with the preparation of a proposed budget and recommending how to finance the proposed budget from dues and other anticipated income. The budget and dues recommendations are submitted to the executive committee. Some squadrons' bylaws provide that the executive committee has final approval of the budget, while others submit their budget to the membership for approval. Other squadrons not having a finance committee have the treasurer prepare a budget and submit it to the executive committee.

The budget should be prepared early as it is the basis for establishing the dues for the squadron year. The budget must be submitted and approved in time for the membership to approve the budget and dues. A determination of the amount of squadron dues must be communicated to headquarters by 1 February to enable dues notices to be mailed directly to the members.

5.40 Receipts. Deposit immediately all squadron funds received. Issue written receipts for all cash items received and retain a duplicate copy for the squadron's records. All USPS checks remitting money to districts, squadrons or individuals carry a 90-day cancellation notice; be sure to deposit them promptly.

5.41 Disbursement. Be sure payment is authorized by budget approval and is properly approved by the member, committee chair and/or officer responsible for the obligation that was created. Pay all bills promptly, as authorized. Amounts that are past due for more than thirty days will result in cancellation of credit. No further shipments will be made from headquarters until the amount is paid in full [Refer to 3.70 on page 3-30]. Make all payments to the order of "United States Power Squadrons" and send them directly to headquarters.

Issue working funds to the chairs of various committees when directed to do so by the executive committee.

5.42 Records. Keep an accurate account of all monies received, deposited and paid out, as simply and clearly as possible. Note the check number of each bill paid after it is authorized for payment. Preserve all paid bills for review by the auditing committee.

Large differences in squadron membership and degree of detail required make it impractical for USPS to prescribe a uniform system with respect to the type and extent of record keeping by squadron treasurers. Consult the *Squadron Treasurer's Manual* for guidance. The national treasurer is ready to make suggestions and offer advice in such matters.

5.43 Meeting reports. The treasurer should:

- Give a report of money received and paid out and of cash on hand at each squadron meeting
- Give interim reports to the squadron executive committee if required by the squadron bylaws
- Give reports in as much detail as required
- Give a written annual report at the end of the squadron year in as much detail as required by the squadron's auditing committee
- Make reports brief, but be prepared to answer questions

5.44 Dues. USPS headquarters mails dues notices two months prior to the members' anniversary date. Members remit their dues to Headquarters on or before their due date.

5.45 Woman's certificate holders. Woman's certificates were awarded prior to 12 September 1982, that is, before women were admitted to active membership, to those who had passed a standard examination (*Piloting or America's Boating Course*). These certificates remain valid. Woman's certificate holders' educational records are maintained at headquarters at no fee.

5.46 Report to the secretary. Under HQAB, any squadron officer or member may access current data on members: (a) whose dues were timely paid; (b) who paid their dues late; and (c) who have resigned, died, transferred or did not renew. Commanders may grant access to this data by giving selected members the password to the USPS website containing this information.

Members are asked to update their address change and other selected membership data on the HQAB dues form when renewing. The annual dues notice is designed for verification of such data. The USPS computer program DB2000 may be used by squadron officers to access this updated data.

5.47 Delinquent members. Members whose dues are not paid by their dues renewal date are delinquent and no longer members of USPS. Delinquent dues may be paid anytime during the following year and membership will be restored.

Those seeking restoration of membership after one year are required to pay national dues for the entire year of reinstatement [Refer to 5.53 on page 5-12]. There is no penalty charged for reinstatement. Those reinstating after more than one year will have their dues anniversary date reset to the month they remitted their dues payment.

5.48 Entrance fee. From each new member, collect a squadron entrance fee, if required by the squadron bylaws, in addition to national dues, district assessment and squadron dues for the member's first year [Refer to 5.53 on page 5-12].

5.49 New members remit the total amount of local and national dues [Refer to 5.53 on page 5-12] to the squadron treasurer, who forwards the national portion to headquarters. The district assessment is sent to the district treasurer. The payment of squadron dues and district assessments for the initial membership year are designated according to their respective bylaws.

5.50 Apprentice program. The apprentice program is designed for interested persons between the ages of 12 and 23. Apprentice membership shall terminate at the end of the dues year in which the apprentice reaches his twenty-third birthday. After attaining his eighteenth birthday an apprentice may become a member of USPS in the same form and subject to all the same requirements as others not previously connected with the squadron.

5.51 Membership cards. When a member pays his/her dues, Headquarters mails a new membership card. Normally, these cards are mailed the first of every month following the month the dues were

remitted.

Temporary membership cards are available from headquarters to present to new members upon completion of all requirements during the period in which their membership applications are being processed.

5.52 Replacement of membership certificate. The fee for a replacement membership certificate [Refer to 5.53 on page 5-12] is payable to "United States Power Squadrons." When ordering, be sure to furnish sufficient factual information about the member so that there will be no ambiguity as to full name and initials, date of original joining, grades awarded, et cetera, in order to allow correct identification of the member by headquarters.

5.53 National dues and fees are set each year by the Governing Board, usually at its fall meeting. The full amount of dues and fees for new members must be received by headquarters no later than thirty days after receipt by headquarters of the new members' names. Squadrons not complying with this requirement face curtailment of shipments from headquarters, except for examinations for students already enrolled. Dues for a Sustaining Member are assessed once at twenty times the current Annual Dues rate for an Active Member.

Effective December 2010, the Board of Directors waived the national dues for any member serving in the U.S. Armed Forces in a war zone until the time which they leave that zone.

Annual dues and fees effective 06/01/2011 are as follows:

Active member	\$41.00
Active members in a family group	\$60.50
Apprentice / Sea Scout	\$12.00
Unattached member	\$47.00
Unattached member with family	\$70.50
Woman's certificate.....	no fee
Sustaining Member.....	\$820.00

Cyber Members:

Active Members	\$97.00
Active member in a family group.....	\$133.00
Active member renewal.....	\$72.00

Active member - family - renewal ... \$108.00

Upgrade Fees:

Apprentice or junior to active \$10.00

Other Fees:

Replacement USPS certificate \$10.00

Transfer fee [17.1]..... \$2.00

The Ensign subscription for non-member, apprentice and woman's certificate holders; \$15.00 for one year, \$25.00 for two years.

Minutes subscription fee (copies of annual and GB minutes for 12 months)..... \$10.00

Annual dues and fees effective 06/01/2012 are as follows:

Active member \$43.00

Active members in a family group..... \$64.50

Apprentice / Sea Scout..... \$12.00

Unattached member \$49.00

Unattached member with family \$73.50

Woman's certificate no fee

Sustaining Member \$860.00

Cyber Members:

Active Members \$TBA

Active member in a family group \$TBA

Active member renewal \$TBA

Active member - family - renewal \$TBA

Upgrade Fees:

Apprentice or junior to active \$10.00

Other Fees:

Replacement USPS certificate \$10.00

Transfer fee [17.1]..... \$2.00

The Ensign subscription for non-member, apprentice and woman's certificate holders; \$15.00 for one year, \$25.00 for two years.

Minutes subscription fee (copies of annual and GB minutes for 12 months)..... \$10.00

5.54 Some districts and squadrons are owners of property which may present tax problems if the property is used for commercial purposes. Income from this source may be subject to income tax. District or squadron treasurers should contact the national treasurer for assistance if their units own such property.

5.55 United States Power Squadrons (a North Carolina corporation) was granted exemption under Section 501(c)(3) of the Internal Revenue Code of 1954. The exemption, IRS file number 580000848, is dated 29 May 1979. Squadrons should not file for this exemption. They are covered under the Group Exemption granted to USPS.

As an exempt organization, districts and squadrons need not file income tax returns, but may be required to file IRS form 990, Return of Organization Exempt from Income Tax, which is obtainable from any IRS office. Instructions for the completion and filing of the form are mailed annually by the national treasurer to district and squadron treasurers.

5.56 All squadrons, districts and national should have someone in a position of responsibility to verify that they comply with all legal requirements for the sale of goods. This pertains mostly to items related to sales tax, that is, obtaining waivers or obtaining the tax and vendor's permits, insuring that one is not required or, if necessary, obtained or waived. Penalties for noncompliance in the sale of goods can be quite severe.

5.57 Following is a basic timetable for the treasurer: (Forms are available from headquarters.)

A) Prepares or assists in the preparation of the squadron budget;

B) Sees that the squadron has liability insurance coverage for squadron events not considered ordinary USPS functions. The national insurance policy maintains secondary coverage for meetings and classes;

C) Pays USPS bills promptly. Sends payments to USPS headquarters;

D) Notifies the squadron secretary of any address changes or other membership data obtained during dues collection or treasurer's correspondence;

E) Files form 990 with the IRS if the squadron's gross receipts are \$25,000 or more. Notifies USPS headquarters and the district treasurer as to whether a form 990 was filed or there was no requirement to file it. Answers any correspondence from IRS promptly to avoid a \$10.00 per day penalty. If form 990 from IRS was received, fill out the heading of the box even if there is no requirement

to file it. Check the box which states “not required to file” and return to the IRS;

F) If the squadron has advertising income from its newsletter (not a directory or yearbook), IRS form 990-T, Exempt Organization Business Income Tax Return may be required to be filed. Obtain advice from an accountant because the computation is somewhat complex.

5.58 The **executive committee** handles the business of the squadron. This committee usually consists of the bridge officers (commander, executive officer, educational officer, administrative officer, secretary, and treasurer), and three or more members-at-large elected by the membership. In addition, a squadron may, if its bylaws so provide, permit its immediate past commander to serve as a voting member of the executive committee. All members of the executive committee must be elected by the squadron's membership.

This committee acts as a board of directors and advises the commander on most aspects of squadron activities. The squadron bylaws usually define the powers and functions of the executive committee.

The executive committee has general charge of the policy, management and finances of the squadron. It has custody of all property of the squadron, including money. All bills contracted by the squadron must first be approved by the executive committee and its recommendations for the following year must be presented to the membership for vote in time for dues notices to be prepared and mailed by headquarters.

Another responsibility of the executive committee is the approval of applications to membership. Candidates are recommended by the membership committee, and these recommendations are acted upon by the executive committee. This committee also approves nominations for associate membership, honorary membership and for transfers into the squadron.

The executive committee may approve a selection of apprentices as provided for in USPS and squadron bylaws.

The executive committee interests itself in the educational program of the squadron and approves the times and places for instruction.

Any vacancy in an elective office in the squadron may be filled by the executive committee until the next meeting of the squadron or until a successor shall be duly elected.

5.59 Business meetings. Each business meeting of the squadron should be well planned. All squadron meetings are held in squadron buildings, marinas, schools, available buildings or other appropriate facility. After the place has been selected, notice should be mailed to members. The commander presides at the meeting and is flanked by the lieutenant commanders and such national and district officers as may be present. The various officers and committee chairs should prepare reports for the membership. The meetings committee, entertainment committee or other group should make arrangements for post-meeting entertainment.

5.60 Squadron annual meeting. The squadron's annual meeting is the meeting at which squadron officers are elected. Many squadrons conduct their annual meeting between October 1st and December 31st. This allows newly elected officers to attend the USPS Annual meeting normally conducted at the end of January. The timing of this annual meeting (COW) should be in the squadron bylaws. This timetable also permits smooth transition at the national, district, and squadron levels. The period between election and assumption of command permits orderly completion of the old administration's affairs and preliminary organization time for the new.

It is desirable to have good attendance at the annual meeting as this is the principal business meeting of the squadron year. The retiring commander should make the program for the annual meeting sufficiently interesting to attract good representation.

Squadron meetings are sometimes followed or preceded by a dinner for which a charge is made; however, a member must be allowed to attend any

meeting itself without charge. A member cannot be required to pay for the privilege of voting.

At the annual meeting the order of business outlined in USPS Bylaws should be used. All elected and appointed officers should render complete reports on activities within their purview. The commander's report should outline what has been accomplished by the squadron generally and include a brief resume of what USPS has accomplished in the interest of boating. A complete financial report is made by the treasurer but should not be accepted until approval of the report by the auditing committee. To aid the secretary, all reports should be in writing.

All appointed officers should be discharged with thanks by the retiring commander, in deference to selections which may be made by his successor. The chair should then be surrendered to the senior national or district officer present, or to a past commander of the squadron for conducting the election of officers for the ensuing term.

The report of the nominating committee should be read to the membership present. The secretary should then be asked for any nominations as prescribed under the bylaws. The balloting for office should then begin and continue until all elective offices have been properly filled. Polls should remain open only for the first hour after the election has been initiated as an order of business, and all contested offices must be decided by secret ballots cast in person. If no offices are contested, the election may be by a motion for unanimous consent by a show of hands. If passed, the election is completed.

Upon election to office, the new squadron bridge, other elected officers, and new members of the executive committee should be introduced to the general membership. In squadrons whose bylaws provide for those elected to assume their new duties immediately, the newly elected officers are called to their proper places on the dais and are inducted by the senior official present. After an acceptance speech by the newly-elected commander, new business is taken up and the squadron moves forward under its new leadership.

In many squadrons, bylaws and long-standing custom call for the new bridge and others to be installed at a formal change of watch ceremony. Where that concept is used, the time between the annual meeting and the change of watch should be a reasonable period so as not to delay the programs of the incoming administration. It should be noted that newly elected officers are not officially recognized until they are pledged in.

5.61 Disciplinary action. Any member may file a charge of misconduct against any other member. The charge must be filed with the secretary of United States Power Squadrons and subsequent actions taken as prescribed in USPS Bylaws in .

5.62 Squadron bylaws. It is imperative that squadron bylaws be consistent with the policies and bylaws of USPS and the bylaws of the district to which the squadron is assigned. At least annually a squadron's Rules Committee [Refer to 7.28 on page 7-13] should compare its current bylaws with the current published version of *Model Bylaws for Squadrons of USPS®* which can be found on and downloaded from the Committee on Rules (ComRules) web site listed in the Table of URLs on page vii. The current squadron bylaws should also be compared with the bylaws of its assigned district which can also be found on the ComRules web site.

Once it is determined that a chartered squadron's existing bylaws are to be amended, the entire proposed bylaws, together with material supporting and explaining deviations from the model should first be sent for formal review to the ComRules oversight representative assigned to support squadrons in that district. These committee representatives are listed in the *USPS Directory of National, District and Squadron Officers*, on the ComRules web site under "Oversight" and in the introduction to the squadron model bylaws. Any proposed deviation from the model wording must be explained in documentation. Deviations from the model may be permissible for a variety of reasons as long as they do not violate the USPS bylaws or USPS policy. The ComRules representative will review the entire bylaws as proposed, to assure that they will be consistent with USPS bylaws and policy if adopted. The representative

will indicate any modifications which should be made and may also make some optional suggestions from experience with other squadron or district bylaws.

It must be emphasized that whenever a modification of squadron bylaws is contemplated, even including just a name change, the entire document must be in consonance with USPS bylaws and USPS policy. This may mean that portions of previously approved bylaws no longer meet USPS policy or are now out of compliance with changes in USPS bylaws, and therefore also need to be changed. It is much easier to accomplish this and keep up to date with USPS bylaws and policy changes by downloading the current squadron model bylaws and tailor them to meet the squadron's present needs than it is to attempt to force existing bylaws to conform to the model.

After incorporation of any changes suggested by ComRules, the squadron Executive Committee should endorse the bylaws or amendments and then propose them to the squadron membership for adoption. Care should be taken during this phase to ensure that the steps below and the provisions of the squadron's current bylaws relating to amendments are followed precisely.

When a bylaws proposal is to be voted upon, members must be informed of the proposed changes in either of two ways: (1) publishing a full, verbatim disclosure of the amendments or changes in a timely notice of the meeting at which a vote is to be taken or (2) making available multiple copies of the current and proposed bylaws for inspection at two successive regular or special membership meetings. The second of these meetings may be the one at which the vote is to be taken. During the voting meeting, additional amendments and/or changes may be introduced from the floor and require only a simple majority vote to be included into the proposal. However, after all such additions have been decided, the final vote for adoption requires a two-thirds majority vote to adopt the proposed bylaws. The notices of these meetings must provide a statement of the means of notification to be made available so that members may understand the proposed changes and specifically

indicate the meeting at which the vote to adopt will be taken.

After adoption by the membership, the squadron secretary should submit to the ComRules representative a request for final approval. This request must be accompanied by the following material:

- One complete copy of the bylaws as adopted by the squadron. This copy may be sent by U.S. mail, but sending it electronically in MS Word DOC format is cheaper, much faster and easier for ComRules to process.
- Three paper copies (not folded) or one electronic copy of the Certification and Approvals page, shown as page x in the introduction to the squadron model, properly signed and dated by the squadron secretary, attesting to the bylaws' adoption.

The ComRules representative will review the amended bylaws in their entirety and if no defects are found, grant final approval by signing and dating the approval block on the signature page. That date becomes the effective date of the revised bylaws. If ComRules detects a flaw in the adopted bylaws, such as a failure to incorporate modifications suggested at time of preliminary review, the squadron may be required to repeat the amendment process to correct the defect before final approval can be granted.

Following receipt of final approval by ComRules, the membership should be so advised through a notice in the squadron's newsletter or by other broad-based media.

It should be noted that throughout the bylaws amendment process correspondence between the squadron and the ComRules representative can be significantly expedited if email is employed. Email addresses for all ComRules representatives are given on the committee's web site and in the national directory. All transmittal of bylaws and all documentation may be by email attachment, in which case only single copies of each are required as long as any signatures are faithfully reproduced.

Once approval is granted, and if not already done by the ComRules representative, the squadron should perform final housekeeping on the document, including showing the effective date on the cover and page footers, and sending it back to the ComRules contact for uploading to the ComRules web site's repository of squadron bylaws and to the USPS headquarters squadron bylaw files.

Changing a Squadron's Name

Changing the name of a squadron is effected by amending its bylaws. A squadron name must include its geographical significance followed by the words Power Squadron (, Inc.) or Sail and Power Squadron (, Inc.). The amendment procedure may differ from the above process depending on the type of change intended. To preface "Power Squadron" with the words "Sail and", the normal bylaws amendment process as described above should be followed, keeping in mind that the entire bylaws will still be reviewed, not just the name change. However, to change the geographic component of the name - that part which distinguishes it from other squadrons - the district council must review and agree to the change prior to contacting ComRules for their review. The final approval of a change to the geographic portion of a squadron's name must be granted by the USPS Governing Board. If there are no negative findings, the Chairman of ComRules will act as the squadron's advocate and present the name change request to the Board of Directors. At the next meeting of the Governing Board the national executive officer can move to approve the name change.

Finally, a squadron which is incorporated should remember that when it changes its name it may also be required to amend its articles of incorporation. The district law officer or an appropriate state agency should be consulted in this regard. In no case may a squadron amend its articles with respect to its name prior to USPS approval of its name change.

5.63 Charter application. Application for a charter for a new squadron may be made by a group of 25 active members of USPS, unless otherwise approved by the Board of Directors, by submitting a written application, addressed to the

Governing Board, to the chair of the Committee on Rules, accompanied by a set of bylaws proposed for that squadron, and by meeting such other requirements as the Governing Board from time to time prescribes. Members signing the application attach letters of transfer to such new squadron endorsed appropriately by the commander or secretary of the squadron from which the member wishes to transfer, or by the national secretary regarding any unattached member who wishes to transfer.

Unless otherwise ordered by the Governing Board, a charter becomes effective as of the date upon which its issuance is authorized and it bears that date. Names of charter members appearing on the charter are in alphabetical order without rank or title except grade designation.

The squadron charter is issued by the national secretary upon approval by the Governing Board of the application together with its accompanying bylaws. Such charter may be revoked, withdrawn or suspended by the Governing Board when in its judgement continuation of the squadron is not in the best interests of USPS.

5.64 Incorporation of squadrons. It is desirable for a squadron to incorporate, and it may do so as a non-profit organization [IRS Code 501(c)(3)] under the laws of the state in which it has its main activities. Consult the law officer of the squadron or district for information on the advantages.

Before incorporation papers are filed, a copy of the proposed articles of incorporation must be sent to USPS law officer for his approval, if such incorporation requires any change in squadron bylaws.

5.65 Gifts, bequests and grants. USPS or any of its divisions, committees, districts or squadrons, may accept gifts and bequests directly or indirectly. For the Endowment (Century) Fund refer to F.1 on page F-1 and for the Educational Fund refer to F.2 on page F-2.

The Board of Directors must approve acceptance of:

- A non-designated gift having a monetary value of \$10,000 or more

- A gift of any size designated for a specific purpose, when offered to USPS national organization
- A gift having a monetary value of \$5,000 or more designated for a specific purpose, when offered to a squadron or district.

All pertinent information regarding the proposed gift, especially any conditions attached to it, is to be furnished to the Board of Directors for evaluation. The value of the gift is considered to be the total value, whether the gift be made in installments or otherwise. If desired by the donor, determination of the value of a gift may be made by an independent appraiser whose fee will not be paid by the intended beneficiary. No certificate of value is to be furnished to any donor by the receipt of a non-monetary gift. The term "gift" includes, but is not limited to, any gift donation, legacy, bequest, grant or assignment of beneficial interest in, to or of any property of any kind whatsoever.

It is emphasized that USPS does not advise on the making of wills or the planning of estates: the testator or donor, in an *inter vivos* transfer, should obtain the advice of an attorney in the state of his or her residence. It is also emphasized that USPS cannot be bound in advance to accept any gift or bequest upon conditions such as to name a building for the donor. A gift or bequest should be forwarded to the Board of Directors using whichever of the following formats describes the gift or bequest intended by the donor.

Unconditional cash contributions:

I hereby give to United States Power Squadrons (USPS), a North Carolina corporation, the sum of \$..... to be used for the general purposes of USPS at the direction and in the discretion of its Board of Directors.

Unconditional property contributions:

I hereby give, transfer or deliver to United States Power Squadron (USPS), a North Carolina corporation,... shares of capital stock of... (Corporation), represented by certificate number... which I have duly endorsed.

Unrestricted endowment fund:

I hereby give to United States Power

Squadrons (USPS), a North Carolina corporation, the sum of \$..., the principal thereof to be invested, and the net income thereof to be used for the general purposes of USPS at the direction and in the discretion of its Board of Directors. For purposes of investment, this fund may be combined with other funds of USPS.

Unrestricted memorial endowment:

I hereby give, transfer and deliver to United States Power Squadrons (USPS), a North Carolina corporation, the property described in the annexed schedule to constitute an endowment fund which shall be known as the "... Memorial Fund". This property shall be held by United States Power Squadrons, with power of sale and reinvestment, and the income therefrom shall be used for the benefit of USPS in such manner as its Board of Directors may direct. For purposes of investment, this fund may be combined with other funds of USPS.

Unconditional general legacy:

I give and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, the sum of \$... to be used for the general purposes of USPS at the direction and in the discretion of its Board of Directors.

Unconditional specific legacy of corporate share:

I give and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, ... shares of the capital stock, common, of ... (Corporation). If the capital stock of said corporation shall be increased or reduced by stock splits, spin-off or otherwise, then this bequest shall be, and is, of a number and type of shares bearing the same proportion as the present stock issue, and shall include all such stock splits or spin-offs, if any.

-or-

I give and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, ... shares of the capital stock preferred, of ... (Corporation).

-or-

I give and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, the following described bonds. (Description)

General legacy, endowment fund:

I give and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, the sum of \$... which shall be invested and the net income therefrom be used for the general purposes of USPS at the direction and in the discretion of its Board of Directors.

Specific legacy real estate:

I give, devise and bequeath to United States Power Squadrons (USPS), a North Carolina corporation, the following described real property in... County, (state), to be used for the general purposes of USPS at the direction and in the discretion of its Board of Directors. If sold, the proceeds of sale shall be used for general purposes of USPS at the direction and in the discretion of its Board of Directors. (Follow with legal description taken from most recently recorded deed.)

Either of the above bequests must be supplemented with the following: "This bequest shall be used for general purposes of USPS at the direction and discretion of its Board of Directors."

5.66 Guidelines on squadron ownership of property, including leasehold interest. Any squadron interested in purchasing or leasing real property should obtain a copy of "Guidelines on Squadron Ownership of Property, including Leasehold Interest", available at headquarters, before negotiating for the property. All squadrons that have an ownership, whether in fee, leasehold or any other fashion, should regularly review these guidelines to ensure that they are in compliance. A brief summary follows:

- A) Insure against liability; name the district and United States Power Squadrons as insured;
- B) Insured ownership should be in fee simple:
 - 1) No reversion;
 - 2) No restrictive covenants which would interfere with anticipated squadron use;
 - a) If any exist, submit in full to the national law officer for review;
 - b) If zoning regulations apply, submit copies with definitions of zones.
- C) Seek services of an attorney very early in negotiations to guarantee title and otherwise protect the squadron;

D) Accept no gifts on conditions:

- 1) No reverter if use changes;
- 2) No estimate of value given;

E) Where land is leased, make sure life of lease significantly exceeds life of improvements at time improvements are made:

- 1) Accept no lease provisions which interfere with internal squadron affairs;
- 2) Lease should permit subletting and assignment;
- 3) Lease should require sixty days notice of default prior to termination by reason of any default;
- 4) If lessor is a public entity, lease must be an "arm's length" transaction;
 - a) Rent must be the same as a private person would pay for premises. If any doubt, get an appraisal;
 - b) Lease must not contain any provisions that would affect internal affairs of squadron;
 - c) Lease must be for a fixed term; not at will of lessor.

E) Submit all proposed acquisitions, either by lease, gift or purchase, to the national law officer. Include all details of transaction. He must be informed of method of payment;

F) If law officer approves, then acquisition may proceed. If he disapproves, he will report the matter to the Board of Directors which may overrule him;

G) Title may be in the name of the squadron, but preferably in a separate corporation whose directors are members of the executive committee of the squadron.

5.67 Income tax - personal deductions. Members who participate in the functions of USPS in an official capacity may deduct on their Individual Income tax return certain expenses as charitable contributions, as USPS is an exempt organization under section 501(c)(3) of the Internal Revenue Code. Deductible expenses include transportation, parking fees, tolls, reasonable expenditures for meals and lodging while away from home, uniforms (including cleaning and insignia maintenance), postage, telephone bills, supplies, dues and miscellaneous cash expenditures *which are directly and demonstrably related to a squadron activity*. Also, direct contributions of cash or property are

deductible. The foregoing list is simply representative of expenditures which may be deductible. For additional assistance, contact the national treasurer.

5.68 Dissolution of a squadron. Should a squadron for any reason discontinue its organization or cease to function, notice to that effect in writing is sent by any recent officer to the district commander of the district to which the squadron is assigned. Should the district commander determine that the charter of the squadron should be revoked, such action is reported in writing to the national executive officer. In the absence of such notice from a squadron officer, the district commander or district secretary, upon receiving approval of the district council, shall notify the national secretary for reference to the national executive officer. The national executive officer shall report the action, with recommendations, to the Board of Directors for its determination.

In the event of the dissolution and voluntary surrender or revocation of a squadron charter, all assets then belonging to the squadron are assigned

to USPS or to an institution which qualifies for tax exemption under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or such other section of the code by which USPS is exempt. The receipt of such assignment is selected by the squadron's executive committee or other comparable body of the squadron. In the absence of such election, the selection is made by the Board of Directors.

5.69 The Squadron Legislative Officer (SLegO) works with state and federal elected officials in the states that have been assigned to them by their National Government and Partner Relations Committee Team Leaders. They report to, and receive direction from District Legislative Officers.

5.70 The Squadron Liaison Officer (SLO) is a member of the District Liaison Committee and carries out duties as assigned by the DLO. The SLO may also function as the Homeland Security Officer and reports to the DLO on matters pertaining thereto.